

Minutes of Finance and Governance Committee
Illinois P-20 Council
Meeting date: March 2, 2011

This meeting of the Finance and Governance Committee was held at the Illinois Community College office at 401 Capitol Avenue on March 2, 2011. Co-Chair Ray Hancock called the meeting to order at 10:00 a.m.

Also participating in the meeting: Laurel Prussing, co-chair; D.K.Hirner (for the Lt. Governor), Dan Harris (for Diana Rauner), Dean Langdon (for Michael Johnson), Eric Lichtenberger, Gary Niehaus, State Representative Linda Chapa LaVia. By phone: Paul Sarvela (for Glen Poshard). P20 staff: Ann Courter Committee members not able to attend: Ron Bullock, Perry Buckley, Kathy Ryg.

Co-chair Ray Hancock welcomed members to the Illinois Community College building, which is owned by the Community College Foundation. He expressed optimism that the right people are on this committee to get something done about school finance and governance in Illinois, and with the current high level of interest in education reform in the legislature, there is an unprecedented opportunity to make changes. Ray noted that given the history of education in the United States, Illinois has a governance structure with more local units than most other states. It was noted that in some states, counties (Maryland) or municipalities (Virginia) control the schools, rather than local school boards.

He read an email from Ron Bullock, which will be forwarded to the members, urging the committee to consider both the forest and the trees, and regain control from the federal government over education policy.

A powerpoint presentation of data provided by the Illinois Education Research Council, along with a paper copy of the spreadsheets emailed earlier, was given by Ann Courter, examining quality, adequacy, and equity in Illinois education. The powerpoint is posted on the P20 website: www.P20Council.illinois.gov, under Finance and Governance report.

The committee members were invited to offer ideas for the committee to consider. Linda Chapa LaVia suggested that municipalities could help save expenses for their schools through cooperative insurance arrangements. Members discussed how municipalities and schools might work with local businesses to organize bulk purchasing to realize efficiencies and cost savings.

Laurel Prussing suggested that school board members needed additional training; Dean Langdon described the training opportunities the Illinois Association of School Boards makes available to school board candidates as well as the vast majority of elected members.

There was discussion of the state revenue mix, and several members identified the need for expansion of the sales tax to include more services. It was noted that there was little public opposition to recent local taxes for schools, perhaps because of the clear nexus between the tax and the use of the funds raised: Urbana has a 2 cent motor fuel tax, and Champaign County has a 1% sales tax for school construction.

State Representative Chapa LaVia has introduced legislation, HB 1216, calling for a consolidation commission to make recommendations to the Governor and General Assembly on the number of school districts in this State, the optimal amount of enrollment for a school district, and where consolidation and realignment would be beneficial.

D.K.Hirner conveyed Lt. Gov. Simon's interest in education for a strong work force, and open discussions to achieve change rather than forcing it from on high. The students must be the primary focus.

Dean noted that IASB generally believes that kids are best served when decisions are made closer to where they live. The current state funding formula would achieve greater equity in funding if it were supported at the level recommended by the Education Funding Advisory Board. Another possible source of funding might be a state level property tax for big properties such as power plants.

Members noted that the best systems have mechanisms to catch kids at the transition points, for example GED programs to community colleges, or truant and alternative schools programs, but those are currently not well funded in Illinois. Representative Chapa LaVia emphasized that kids should be well-prepared in the K-12 years.

Ray Hancock observed that to reduce the number of districts, retiring debt could work as an incentive for districts. The existence of elementary-only districts is an historical anomaly, and salary schedule disparities with adjoining high school districts make consolidation difficult. He attributed the salary differences to the greater supply of elementary teachers and market forces.

Gary Niehaus reminded us that districts need to know how much funding the state will provide much sooner than the information is currently provided—three years ahead would be optimal. They must issue Reduction In Force (layoff) notices in March, but the legislature doesn't pass a budget until May or even later. He also noted that proration of funding paid on time was preferable to full funding paid late. [Does any other state have a better payment mechanism?]

The idea was floated to shift control of the whole preschool through college system to one P-20 board to ensure smoother implementation of common core standards, measurement dashboards, student growth at every level, and consistency offerings and student support.

Another idea was proposed to shift the 16-year-olds who are ready for dual credit level classes out of the K-12 system and use the additional funding left for students who are struggling. Students could take from 3 to 6 years to become proficient, as needed. It was noted that while there is now communication between high schools and community colleges for dual credit, there is little information shared between high schools and 4-year colleges.

Gary Niehaus stated that in his experience, education service centers can provide highly valuable professional development services for districts. Perhaps there could be as few as 6 regional sites that could provide greater oversight, auditing, and professional development assistance than ISBE is currently able to provide given its resources. There are currently great disparities across the state in criteria for special education, response to intervention, technology planning, etc., which could be improved with more oversight. Perhaps community colleges and higher education institutions within a region could be used as resources for the entire region. In some areas of the state, students do not have access to vocational centers or technology. Community colleges could help to coordinate access.

The role of local businesses in insuring quality education for its employees should not be overlooked. For example, State Farm plays a constructive leadership role in Bloomington school programs.

There was agreement in the group on the need for checks and balances, weighting funding by population and region. There was interest in conceptualizing consolidation across levels of government in addition to K-12 districts.

Regional disparities in kindergarten readiness were noted. In Charleston, for example, 20% of students have had no pre-K exposure, and many start so far behind in basic concepts like number, color, and names they cannot catch up. There are many community resources in some places: Boys and Girls Clubs, YMCA, Head Start, day care centers, but not much coordination. Dan Harris shared Irving Harris's story about saving the children upstream instead of trying to pull them out when they are drowning. ISBE's budget has \$342 million for preschool for 85,000 of the most at-risk 3 and 4 year olds. The FY10 preschool budget was cut 10%.

The committee members agreed that birth-to-8 programs, home visiting programs, and early education were critical parts of the solution to encourage completion of high school and to close the achievement gap. There was interest in obtaining a qualitative study of preschool to post-secondary education in Illinois.

Paul Sarvela stated that Dr. Poshard is very interested in seeing funding disparity discussions extend out to the university level. Access and affordability for minority and underserved groups need to be addressed. Since 50% of black students and 30% of Hispanic students receive MAP grants, any reductions in those grants has a big impact on those groups.

Another idea offered was that teacher training programs could be responsible for continuing professional development for the teachers they graduated, statewide.

A desire was expressed for more local control over federal dollars, so that funds could flow through ISBE directly to schools without losing a percentage to other levels.

Eric Lichtenberg invited the committee to attend the IERC research symposium June 7-8 in Bloomington. [A P20 Council panel, including Ray Hancock, will make a breakfast presentation on the 8th.] There will be a speaker from Louisiana, which has undergone an education transformation, to explain how they made change happen.

Ray Hancock presented a powerpoint on governance and control, and invited additional comments from the committee.

The importance of effective leadership was noted. Gary Niehaus reported that in one turnaround school, scores went up 19% with the same teachers and students but a different principal.

Ray asked each committee member to send him a statement of what their priorities are for the committee's work. Ann will send the committee a list of additional resources.

The next Finance and Governance Committee meeting will be in Springfield on April 6. The next P20 Council meeting is April 27 in Chicago.